

# **EXHIBIT H**

# MTV NETWORKS

A VIACOM COMPANY

Michelena Hallie  
Senior Vice President  
Intellectual Property & Litigation

September 1, 2006

VIA DHL EXPRESS

Michael Davids  
215 West 95th Street  
New York, NY 10025  
212-678-1713

Re: Infringement of Blue's Clues Intellectual Property

Dear Mr. Davids:

I write on behalf of Viacom International Inc. and its division MTV Networks ("Viacom"). Viacom owns and operates the world renowned Nickelodeon children's television programming service, which airs the famous Blue's Clues television series ("Series"). Viacom has invested tremendous time, effort and resources in the creation, development and marketing of the Series and the intellectual property associated therewith.

By way of background, Viacom owns all rights, title and interest in and to the BLUE'S CLUES trademarks, as partially evidenced by U.S. Trademark Registration Nos. 2,540,716; 2,502,608 and; 2,257,421 as well as the characters in the Series and other copyrights associated therewith.

As a result of Viacom's extensive use and promotion of the Series characters, images of these characters function not only as copyrights but as trademarks that the public associates exclusively with products originating with, sponsored by or licensed by Viacom (hereinafter collectively referred to as the "Trademarks"). No third party is permitted to depict the characters and/or other material associated with the Series, without the express written consent of Viacom.

It has recently come to Viacom's attention that you are actively promoting an unauthorized Blue's Clues event called "Do The Blue Superstar Saturday Party", which features an appearance by a counterfeit costumed Blue's Clues character. That you are aware of Viacom's rights in the Series is clear on the face of the promotions themselves: At the bottom of the piece we have obtained is the note: "© Viacom International Inc. All rights reserved." Not only does this statement confirm your willful violation of Viacom's rights, but it increases the likelihood that consumers will mistakenly believe that you are operating with the permission of Viacom, which you are not.

Your use of Viacom's intellectual property is expressly prohibited by pertinent laws, including the copyright laws of the United States, 17 U.S.C. § 101 *et seq.*, and federal and state laws prohibiting unfair competition. See 15 U.S.C. § 1125(a). Additional causes of action, including for counterfeiting, also may be available under applicable federal, state and common laws.

Based upon the foregoing, Viacom demands that you immediately and permanently:

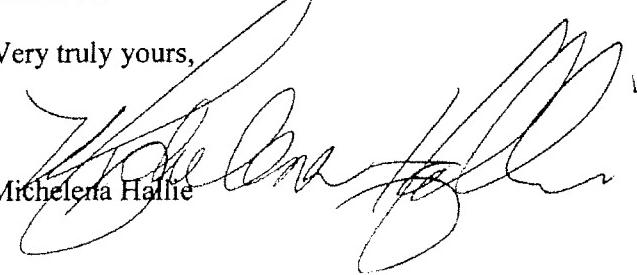
1. Cease and desist from sponsoring, promoting or otherwise assisting any events featuring the Series;
2. Provide assurances that you will refrain from otherwise making unauthorized uses of Viacom's intellectual property;
3. Provide proof of accounting of all revenue derived from any events or other uses of Viacom's intellectual property; and
2. Take any further steps necessary to remedy the confusion in the marketplace as is determined by Viacom after we have the opportunity to assess the full extent of your infringement.

If you are inclined to amicably resolve this matter, you will need to immediately provide Viacom with the documentations demanded above, as well as, assurances of your compliance with these terms within ten (10) days of receipt of this letter by email at [infringementreporting@mtvstaff.com](mailto:infringementreporting@mtvstaff.com) or mail, so that we may avoid further consideration of our legal remedies.

This letter is written without waiver of Viacom's rights under applicable laws. Viacom expressly reserves its right to pursue, without further notice, all available legal remedies including, without limitation, the recovery of costs and attorneys' fees associated with this matter.

Very truly yours,

Michelena Hallie

A handwritten signature in black ink, appearing to read "Michelena Hallie".

08/30/2006 WED 16:37 FAX

0001/001

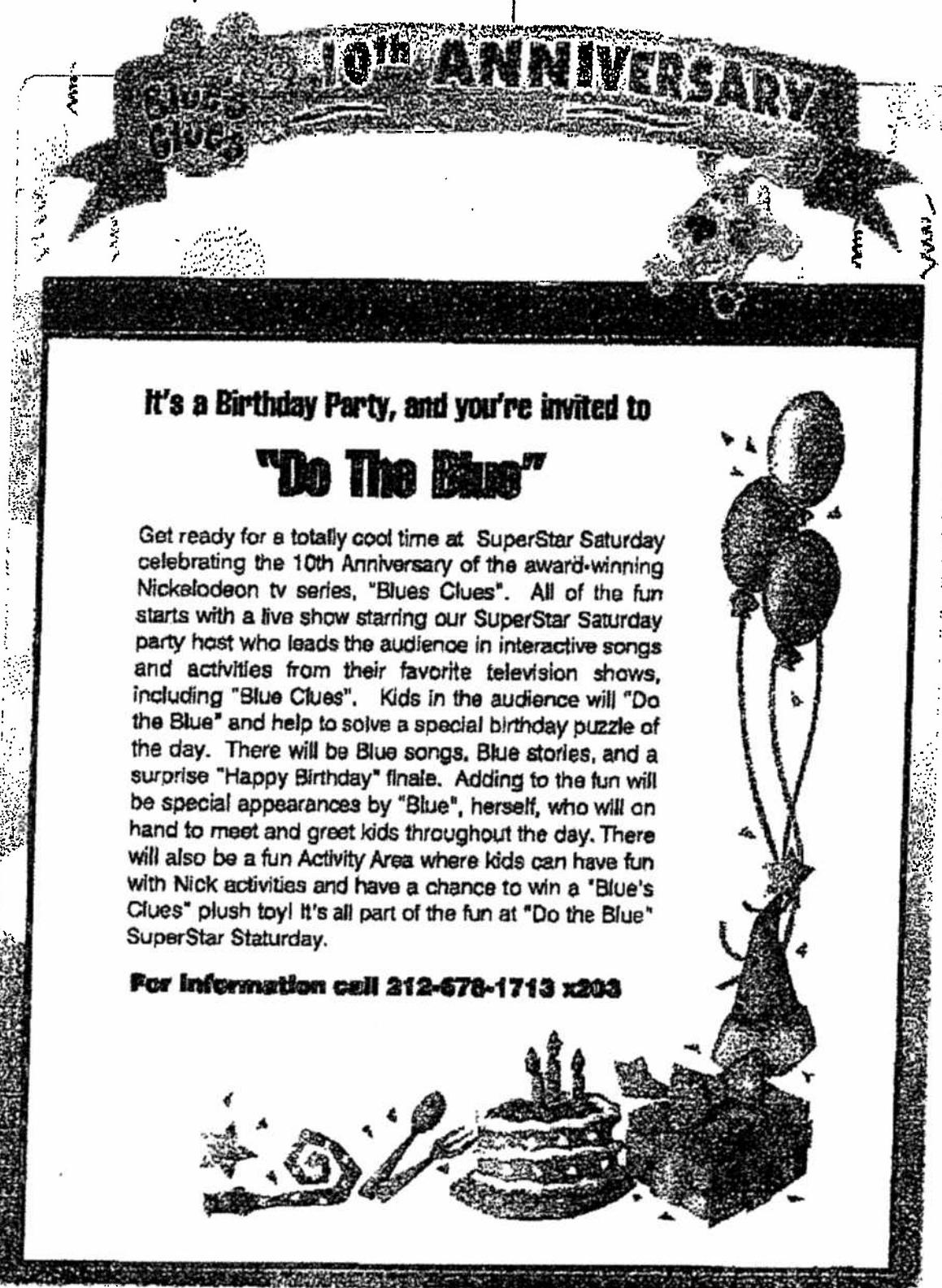
AUG-30-2006 16:30

STONECREST MALL

212-846-1833

Attn: Laura Kaufmann

P.01/01



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TOTAL P.01

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**From:** Michael Davids [mailto:[mdavids@specialprods.com](mailto:mdavids@specialprods.com)]  
**Sent:** Monday, September 11, 2006 4:58 PM  
**To:** Hallie, Michelena  
**Cc:** Kaufmann, Laura  
**Subject:** FW: Blues Clues / Seminole Towne Center

Hi, Michelena -

I was in the process of formulating an email to Laura Kaufman when I got your overnight express letter (see below). Get you the answers to the questions you asked in ur letter by the end of the day tomorrow. But to summarize: this is an isolated incident. We have never had a request for Blue. We have, however, made arrangements through Laura's office for approved appearances by other charcters over the last few years without incident. Nickelodeon requires that all advertising be approved. I was not aware that any promotion was being done because we never received anything to approve. If I had, then it would have been caught before anything was announced.

Again, I wil get you detailed backup tomorrow.

Thanks!

**Michael Davids**  
Special Productions, Inc.

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**From:** Michael Davids  
**Sent:** Monday, September 11, 2006 2:21 PM  
**To:** Kaufmann, Laura  
**Subject:** Blues Clues / Seminole Towne Center

Hi, Laura -

I'm emailing you regarding the Blues Clues glitch at Seminole Towne Center. I would have gotten to you sooner but I was out of town on vacation (I'll never do that again). Let me outline the the course of events that lead up to this:

-In the list of Nick characters that we've received, Blue's Clues was always listed as a puppet.

- Last year (August 12, 2005), I sent you an email asking if there was a costume. We had received a request from Haywood Mall, a Simon Property Group center, asking for "Blue" for their Grand Re-Opening on November 18th and 19th, 2005. (Email is attached);
- You responded that "Blue" had been retired and mentioned that there were a lot of 'fakes' and let you know if I came across one. You also mentioned that there was a costume for the Blue's Room show which was fluffier and stood upright;
- I informed Haywood Mall that the character was retired;
- When November 19th came around, our onsite coordinator informed me that there was a Blue character at the event. I asked her to see if she could find out where it came from (remembering what you said about fake costumes). I was told that arrangements were made with Carowinds. I didn't think twice about it because I knew there was a character in the parade.
- The first request we ever had for Blue was from Seminole Towne Center at the end of May for the end of September. They had requested Blue or Elmo, preferably Blue. I called the local performer who our production coordinator spoke to and they said they'd see what was possible. After a few weeks I was informed that there was a character available and that we'd also have to pay for an actor from the park as well as a guide. I called Shelley and told her we were all set.
- That brings us to last week when I got an email from Jayne Stilson / Simon Properties Group asking about the costume. We've had a close relationship with Simon Property Group for the last three years and have provided the character appearances for their numerous that run Kids Club programs. These appearances include numerous SpongeBob, Dora, Wild Thornberry's, etc appearances which we've arranged through you.
- I told Jayne I'd find out what was going on and proceeded to contact the person in SC. I also emailed Jayne and asked where the original call came from and she said "Laura Kauffman". I told her that your the person we work with for the Nick appearances and that I'd get in touch with you and try to straighten it out.
- That brings us to the present.

I'm not sure if we should just make arrangements for another character for Seminole or if there are options for the a character from the park. Please let me know how you want to proceed. Also, I got a letter today from the Vicaom legal department. Should I address this with them separately or have I gone to the source in contacting you. Let me know about that as well.

I have back up for a lot of this but it's taken me a while to formulate this and I don't want to delay in responding. I'll follow up with the backup this afternoon or tomorrow.

We work with the licensors of just about every character out there and each one comes with their own encyclopedia of requirements and approval process. We know never to assume and never short change an approval process. I would have been skeptical of any other source other than Carowinds when I inquired last November. We'll be more cautious in the future.

Please get back to me so we can resolve this to your satisfaction.

Thanks, Laura!

**Michael Davids**  
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